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High-level ministerial segment and policy dialogue with heads of international organizations

Report of the Secretary-General

Summary

There are several major issues before the high-level ministerial segment of the ninth session of the United Nations Forum on Forests, in particular, the increased importance of forests in various multilateral instruments and processes, the launch of the International Year of Forests (2011), the forest financing process, the upcoming United Nations Conference on Sustainable Development (Rio+20) and other major forest related themes, challenges and opportunities. The two-day high-level ministerial segment, which is scheduled for 2 and 3 February, represents a unique opportunity for Member States to address these important issues and effectively provide policy advice and direction on these matters.

The present report has been prepared with the aim of facilitating thorough and productive discussions during the high-level segment. It contains a brief note on the outcomes and impacts of previous high-level segments of the Forum and a brief overview of major global development challenges and the role of forests in addressing them, as well as future opportunities with regard to forests. The report concludes by suggesting ways to strengthen and enhance the contribution of forests to the global development agenda and to ongoing and future major global events and processes.

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Contents

		Page
I.	Introduction	3
II.	Outcomes of previous high-level ministerial segments	3
III.	Major global development challenges	4
IV.	Forests for people	5
	A. Forests and poverty eradication	5
	B. Forest financing	7
	C. Forests as a means for social integration and job generation	8
	D. Forest governance	9
	E. Forests and green economies	10
V.	Forests: a multidimensional issue with broad implications across sectors	12
VI.	Forests 2011 and Rio+20: golden opportunities	14
VII.	Conclusions	16
VIII.	Recommendations	18

I. Introduction

1. The United Nations Forum on Forests, in the multi-year programme of work for 2007-2015 adopted at its seventh session, decided to hold a high-level ministerial segment at its ninth and eleventh sessions, in 2011 and 2015, respectively. The high-level ministerial segment of the ninth session is scheduled to be held on 2 and 3 February 2011.

2. The opening of the high-level ministerial segment will feature the official launch of the International Year of Forests (Forests 2011) and a series of special ceremonies and events, with the participation of high-level officials from Member States, the United Nations and other member organizations of the Collaborative Partnership on Forests, as well as representatives of major groups. After the opening session, the high-level segment will continue its work in various round tables, each discussing a major issue related to forests. There will also be a high-level dialogue among officials and heads of the member organizations of the Collaborative Partnership on Forests during the second day of the segment. Finally, the high-level ministerial segment is expected to conclude its work with the adoption of a ministerial declaration. It is expected that global media attention will focus on the high-level segment, with particular interest in the launch of Forests 2011.

II. Outcomes of previous high-level ministerial segments

3. Two previous high-level ministerial segments have been held, the first during the second session of the Forum and the second during the fifth session. The first high-level ministerial segment resulted in the adoption of a ministerial declaration and a message from the Forum to the 2002 World Summit on Sustainable Development in Johannesburg, South Africa. This declaration was transmitted to the World Summit by the Secretary-General through the Commission on Sustainable Development, which was acting as the preparatory committee for the Summit. The operative part of the ministerial declaration was later incorporated intact in the Johannesburg Plan of Implementation.[1]

4. The next high-level ministerial segment, held during the fifth session of the Forum, did not adopt a ministerial declaration. Ministers took note of a chair summary of the discussions (see E/2005/42-E/CN.18/2005/18). One major policy recommendation highlighted in that summary was the need to set global forest goals that would serve as a catalyst for action at all levels and stimulate countries to set their own targets to fulfil those commitments.

5. The high-level ministerial segment of the fifth session substantially paved the way for a historic agreement by the General Assembly in 2007 on the non-legally binding instrument on all types of forests and, later that same year, the global objectives on forests by initiating the negotiation process and transmitting draft negotiating text to the sixth session of the Forum.

[1] See *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 2, annex, para. 45. Also available from www.un.org/esa/dsd.

III. Major global development challenges

6. Collective efforts towards the achievement of the Millennium Development Goals have made inroads in many areas. Prior to 2008, encouraging trends had put many regions on track to achieve at least some of the goals. Nevertheless, progress has been slow and uneven, and the global community has already missed meeting some of the Goals.

7. Analyses indicate that the effects of the global financial crisis are likely to persist: poverty rates will be slightly higher in 2015 and beyond, through 2020, than they would have been had the world economy grown steadily at its pre-crisis pace. As jobs have been lost, more people have been forced into vulnerable employment; in 2009, 60 per cent of those employed were in vulnerable jobs.

8. The devastating impact of climate change looms large, and the risk of death or disability and economic loss as a result of natural disasters and environmental degradation is increasing globally and severely affecting poorer countries. Between the beginning of 2008 and March 2010, 470,000 people were killed as a result of natural disasters. Economic losses were $262 billion during the period 2008-2009.

9. Progress towards gender equality and the empowerment of women has been slow on all fronts, from education to access to political decision-making. Men still outnumber women in paid employment outside of agriculture in almost all regions.

10. Aid remains well below the United Nations target of 0.7 per cent of gross national income for most donors. In 2009, only Denmark, Luxembourg, the Netherlands, Norway and Sweden had reached or exceeded the target. In 2009, net disbursements of official development assistance (ODA) amounted to $119.6 billion, or 0.31 per cent of the combined national income of developed countries.[2]

11. Deforestation and natural loss of forest continue at an alarming rate in several regions and countries. The area of primary forest is decreasing by about 4 million hectares each year. Employment in forest establishment, management and use declined by about 10 per cent globally between 1990 and 2005.[3] On average, 1 per cent of all forests were reported to be significantly affected each year by forest fires. Infestations of forest insect pests damage some 35 million hectares of forest annually, primarily in the temperate and boreal zones.

12. Globally, the number of staff in public forest institutions is decreasing. Around 1.3 million people were reported to be working in public forest institutions in 2008; 22 per cent of them were female. At the global level, the number of staff has declined by 1.2 per cent annually since 2000. More than 20,000 professionals work in public forest research institutions.

13. The persistence of these and other challenges calls for a much stronger commitment on the part of countries and the whole global community to work together to effectively accelerate their efforts to achieve global development goals,

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[2] Figures cited in the above paragraphs are drawn mainly from the *Millennium Development Goals Gap Task Force Report 2010* (United Nations publication, Sales No. E.10.I.12). Available from www.un.org/millenniumgoals/reports.

[3] Food and Agriculture Organization of the United Nations, *Global Forest Resources Assessment 2010* (Rome, 2010).

in particular the Millennium Development Goals, by 2015. Without a major push forward, many of the Millennium Development Goal targets are likely to be missed in most regions. Old and new challenges threaten to further slow progress in some areas, or even undo successes achieved so far.

IV. Forests for people

14. "Forests for people" is the overall theme of the ninth session of the Forum. At a time when forests are considered to be a major ingredient in any solution to current global challenges, a focused discussion on this theme among ministers and high-level officials of Member States during the launch of Forests 2011 will provide the Forum with an opportunity to better understand the benefits of all types of forests to all people and all countries, even those countries which lack forests or have small forest areas or trees outside of forests.

15. For there to be a people-centred approach to forests, the key is to take a close look at the interlinkages between forests and issues that have major impacts on the daily lives of people and their future, including poverty eradication, finance, governance, green economies, employment, social integration and global development challenges. In practical terms, forests represent the intersection of all aspects of human life. Forests provide goods and services that are essential for civilizations and crucial for economic development, access to clean water, agricultural productivity, soil conservation and flood control. Forests are home to at least 80 per cent of terrestrial biodiversity and are a major carbon sink for regulating the global climate. Forests contribute intensively to poverty eradication; more than 1.6 billion people worldwide depend on forest resources for their livelihoods.

16. The global objectives on forests, as well as the 2007 non-legally binding instrument on all types of forests, are illustrations of an evolution in thinking from a sector-centred approach to forests to a people-centred one. The high-level segment of the Forum's ninth session is the first high-level meeting of the Forum since the adoption of the forest instrument and the global objectives on forests. Moreover, this meeting is being held after the September 2010 High-level Plenary Meeting of the General Assembly on the Millennium Development Goals and before the 2012 United Nations Conference on Sustainable Development (also known as the Rio+20 Conference). In this context, the high-level segment of the Forum's ninth session can be highly significant in addressing the links between forests and other ecosystems and sectors and ensuring that forests play their full part in contributing to the achievement of the internationally agreed development goals.

A. Forests and poverty eradication

17. Poverty is a multidimensional condition. It means more than not having an adequate income; it also includes a measure of state of health, level of education, sense of security, quality of governance, respect for justice and human rights, and equality. In many countries, rural poverty is the consequence of the depletion of natural resources upon which previous generations depended. This is seen in increased soil erosion and loss of soil fertility, unrestricted deforestation and diminished water supplies. In terms of their impact on poverty, these factors combine to produce diminished agricultural production and increased food

insecurity, reduced firewood for meeting household energy needs, a lack of adequate water supplies for consumption and sanitation and the loss of valuable forest capital for economic development and environmental stability.

18. Forests contribute directly to the goal of reducing poverty and hunger by providing cash, income, jobs and consumption goods for poor families. According to World Bank estimates, approximately a quarter of the world's poor are dependent on forests for their livelihoods. The livelihoods of the approximately 240 million of the world's poor that live in forested areas of developing countries depend on the protection, and often the rehabilitation, of these forests. What needs to be stressed, however, is that the contributions of forests are not limited to reducing hunger and crisis; rather, when managed sustainably, they can have a greater impact through increased and more sustainable income, resulting in poverty reduction. In Zimbabwe, for example, by collecting and selling baobab seeds to a processing company, local producers doubled the income they had previously earned from growing cotton. In Malawi, households tripled their per capita income from 3,000 kwacha ($22) to 9,000 kwacha ($67) by shifting to sustainable forestry activities, including the rearing of guinea fowl, the production of baobab fruit juice and beekeeping.[4] Moreover, forests contribute to environmental sustainability by providing a variety of environmental services and by furnishing renewable wood and non-wood forest products.[5] Non-timber forest products can also play an important role in gap-filling for the rural poor and, under certain conditions, can serve as a stepping-stone out of poverty.[6]

19. Where forests play a critical role in enabling people to cope with poverty, the rights of people who depend on forests should be safeguarded by providing and securing tenure and access to wood and non-timber forest products. Protecting vulnerable forest-dependent people is an important element of sustainable forest management, as is the creation of an enabling environment for poverty alleviation. As the indigenous populations residing within forest regions represent some of the poorest and most vulnerable people in the world who also have limited access to the outside world, they need specific priority attention. Some important steps need to be taken to ensure that people within forests are protected through land tenure reforms, the provision of financial services for forest activities and the revision of the forest regulations that marginalize poor people.[7]

[4] *The Millennium Development Goals Report 2010* (United Nations publication, Sales No. E.10.I.7). Available from www.un.org/millenniumgoals/reports.

[5] "Experts emphasize forests' contribution to the Millennium Development Goals". Available from www.fao.org/newsroom/en/news/2005/89264/index.html.

[6] Elaine Marshall, Kathrin Schreckenberg and Adrian Newton, "What contribution does successful non-timber forest product commercialization make to the Millennium Development Goals", and Daniela Gomes Pinto and Peter May, "Supporting community non-timber forest product enterprises in the Amazon", *European Tropical Forest Research Network News*, No. 47-48 (Winter 2006-2007). Available from www.etfrn.org/etfrn/newsletter/news4748.

[7] David Kaimowitz, "Forests and the Millennium Development Goals", *European Tropical Forest Research Network News*, No. 47-48.

B. Forest financing

20. Finance is an integral element of the global partnership for development and sustainable forest management. The resolution of the special session of the ninth session of the Forum on means of implementation (see E/2009/118-E/CN.18/SS/2009/2) set a sound framework that helps countries to avoid a repetition of debate on concepts and measures that have already been agreed, and assists them in narrowing the scope of their differences and approaches, in order to look at forest financing in a very strategic manner. In that resolution, the Forum recognized that financing for forests was not adequate and reaffirmed that forest financing strategies should be inclusive of all types of resources from all sources.

21. The resolution makes cooperation, participation and responsiveness the bedrock for any eventual solution to forest financing. It frames forest financing in the context of global development goals, rather than in the context of a political confrontation between South and North or national versus international resources. The gaps in and needs for forest financing in developing countries, in particular in those countries with special needs, are very much recognized.

22. By adopting that resolution, the Forum laid out a new vision in which financing sustainable forest management was recognized as a critical action for advancing the global development agenda. In that resolution, the Forum specifically mandated the establishment of an open-ended intergovernmental ad hoc expert group to make proposals on strategies to mobilize resources from all sources to support the implementation of sustainable forest management, the achievement of the global objectives on forests and the implementation of the non-legally binding instrument on all types of forests, including, inter alia, strengthening and improving access to funds and establishing a voluntary global forest fund, taking into account, inter alia, the results of the Forum's review of the performance of the facilitative process, views of Member States and review of sustainable forest management-related financing instruments and processes.

23. At the same time, the international architecture of financing for forests has undergone major changes. Significant expectations have emerged concerning the potential of forest carbon financing to mobilize unprecedented additional resources and, to a lesser extent, concerning other payment schemes for environmental services to support sustainable forest management. If properly designed, financing related to reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD-plus) could be a catalyst for broader and transformative investment in sustainable forest management, including public and private investment.

24. Financing related to REDD-plus offers a great opportunity for forest financing. In spite of its huge potential, REDD-plus financing flows are highly unlikely to address all the gaps and constraints of financing for the implementation of the non-legally binding instrument on all types of forests. Such financing would not address the needs of the huge number of countries with dryland forests. These countries are excluded from REDD-plus resources, in spite of the fact that their forests play a crucial role in water management, erosion control, biodiversity protection and mitigating climate change. In addition, various definitions of sustainable forest management, different interpretations of that concept and a lack of

consensus among countries and organizations on a specific definition has diminished the ability of countries to develop a full comparison of what has been done for forests and what else should be done. There are also concerns that REDD-plus activities in developing countries may become a substitute for the greenhouse gas mitigation commitments of developed countries.

25. The first meeting of the Open-ended Intergovernmental Ad Hoc Expert Group on Forest Financing was held from 13 to 17 September 2010 at the United Nations Office in Nairobi. Discussions in the Expert Group highlighted the need for further collaboration and sharing of experiences among Governments to develop innovative financing mechanisms, as well as deeper collaboration with the private sector, and the need for an enabling environment for private sector investments. The discussions also underscored the need to more substantively engage Governments, the Collaborative Partnership on Forests and its Advisory Group on Finance in the identification of forest financing options, modalities and their possible structures prior to the second meeting of the Expert Group. Participants in the first meeting felt there was a need for an assessment of different options for the forest financing architecture, including a global forest fund, which will be prepared by the secretariat for the consideration of the second meeting.

C. Forests as a means for social integration and job generation

26. Sustainable forest management has economic, environmental and social dimensions. In efforts to strengthen sustainable forest management, more attention has been given to economic and environmental issues; the social dimension of this work and of its environmental impact have been less explored and understood. There is a growing understanding of the importance of the economic activities of indigenous, community and family forest rights holders, managers and owners and, within and beside these groups, of labour, women and youth.

27. The social dimension of forests is concerned with the quality and extent of the relations that exist among families, communities and regions with regard to forests. These relations are the foundation for sustained progress in forest management practices and the generation and distribution of increased economic benefits from sustainably managed forests. The relative strength or weakness of this foundation has a profound effect on the ability of communities to contribute to lasting improvements in management practices and their resultant improvements in economic benefits, conservation of biodiversity, and climate change adaptation and mitigation.

28. Local communities and people, including indigenous peoples, women and girls, contribute immeasurably to the benefits that derive from sustainable forest management and economic activities based thereon. That contribution can be greatly increased through greater investment in a range of capacities and the integration of these groups into the process of setting, developing and implementing forest policy. Other beneficial measures include improved management skills for forest-dependent people and communities, improved market access and marketing structures and related networks and strengthened forestry extension training and educational programmes.

29. Improved management of scarce environmental and natural resources offers significant economic opportunities. Realizing the opportunities from green growth

and more environmentally sustainable areas of job creation has thus become an important macroeconomic policy priority for many Governments. This implies substantially increased investments across a range of economic sectors that build on and enhance the Earth's natural capital or that reduce ecological and environmental risks.

60. Around 10 million people are employed in forest management and conservation, but many more are directly dependent on forests for their livelihoods. Reported employment in forest establishment, management and use declined by about 10 per cent between 1990 and 2005, probably because of gains in labour productivity. Europe, East Asia and North America saw steep declines (15 to 40 per cent between 1990 and 2005), while in other regions employment increased somewhat. Most countries reported increased employment in the management of protected areas. Given that much forestry employment is outside the formal sector, forest work is surely much more important for rural livelihoods and national economies than the reported figures suggest.

61. Eighty per cent of the world's forests are publicly owned, but the ownership and management of forests by communities, individuals and private companies is on the rise. Despite changes in forest ownership and tenure in some regions, most of the world's forests remain under public ownership. Differences among regions are considerable. North and Central America, Europe (other than the Russian Federation), South America and Oceania have a higher proportion of private ownership than other regions. This proves the significance of the role of Governments in devising appropriate policies and measures that increase the job-generating potential of forests. Of course, in some regions there is an increasing trend towards involving communities, individuals and private companies in the management of publicly owned forests. It is necessary to encourage the greater involvement of these non-public sectors in managing forests, within sound regulatory frameworks to ensure the sustainability of forest resources, as well as the rights of people whose lives are dependent on these forests.

D. Forest governance

62. Significant progress has been made in developing forest policies, forest laws and national forest programmes. Of the 143 countries that have a forest policy statement, 76 countries have issued or updated their statements since 2000. Of the 156 countries that have a specific forest law, 69 countries — primarily in Europe and Africa — reported that their current forest law had been enacted or amended since 2005. Close to 75 per cent of the world's forests are covered by a national forest programme, i.e., a participatory process for the development and implementation of forest-related policies and international commitments at the national level.

63. Good governance, with a clear articulation of the principles of environmental and social responsibility, is a prerequisite for sustainable forest management. Efforts should also be made to improve law enforcement and to curb illegal forest-related activities, which often result in the destruction of ecosystems and deprive forest-dependent communities of their livelihoods.

64. It is necessary to incorporate the voices of people into forest governance if the goal is to ensure that people benefit from forests and to maintain long-term and

sustainable benefits from forests. It is crucial to involve those who live in or in close proximity to forests in decisions about what happens to forests, and to ensure the security of the livelihoods of poor and marginalized peoples that depend on forests. There is growing evidence that transferring authority and responsibility for sustainable forest management to communities leads to both a significant reduction of poverty and improved forest conditions. Studies also show that the shifting of authority and responsibilities has resulted in improvements in livelihoods and forest conditions.[8]

35. Strengthening national legislation and enforcement is another important area. Clarification and strengthening of tenure and access rights related to forest lands and use, decentralization and the promotion of partnerships among Governments, forest owners and communities, industry and trade and civil society also contribute to better forest governance. Countries should be further encouraged to promote certification of origin of timber and timber products, chain-of-custody systems and voluntary codes of conduct, as these are important tools in combating illegal practices in forestry. At the same time, market access to legally and sustainably produced forest products, including public procurement rules, needs to be enhanced, together with the transfer of technology and sharing of experiences.

36. Management, conservation and the sustainable development of all types of forests involve reconciling diverse and sometimes conflicting interests, and are the concern of Governments, public and private owners, managers and other stakeholders. No single agency or class of actors has the knowledge and capacity for enhanced forest management globally. In this context, collaboration among different forest managers and users and at different levels of decision-making related to forests should be promoted, as this is the most effective way to improve the different benefits that forests provide to humans and the planet.

E. Forests and green economies

37. The road towards recovery from the global financial crisis is proving to be long, sinuous and bumpy. After a year of fragile and uneven recovery, growth of the world economy is now decelerating on a broad front, presaging even weaker growth for 2011. The weakness of major developed economies continues to act as a drag on global recovery. There seems to be no quick fix to many of the predicaments these economies are facing in the aftermath of the financial crisis. Credit remains short in supply and, more broadly, financial fragility continues. Unemployment remains elevated and domestic demand is anaemic.[9]

38. In mitigating and responding to the risks posed by these financial challenges, some countries have implemented economic stimulus packages to tackle the crisis and promote a move towards a greener economy. Even though a greening of the global economy, aimed at higher sustainability through the reduction of negative impacts on the environment and climate change, was already under way before the economic crisis, the crisis was seen as an incentive to some Governments to

[8] Rebecca Hardin and Arun Agrawal, "Forests, people and tenure: culture, communities and sustainable development" (Ann Arbor, University of Michigan, September 2010).

[9] Expert Group Meeting on the World Economy (Project LINK) and the Department of Economic and Social Affairs, "LINK global economic outlook: October 2010". Available from www.un.org/esa/policy/link/presentations10/geo201010.pdf.

accelerate the process towards building green economies. A green economy in the context of sustainable development and poverty eradication will also be a theme of the Rio+20 Conference.

39. There is no agreed definition of a "green economy" at the global level, and the present report does not attempt to define the term. Fundamentally, the concept of a green economy implies linking economic growth and environmental sustainability. It may also imply realizing growth and employment opportunities from less-polluting and more resource-efficient activities, including in the areas of energy, water, waste, buildings, agriculture and forests, as well as managing related structural changes, such as potentially adverse effects on vulnerable households and traditional economic sectors. The question remains, however, whether these are the only issues that countries have to take into consideration in building green economies. One major issue that has to be fully taken into account within the global policy debate on that subject is the fact that the concept of a green economy and the associated policy implications will apply differently in various countries, depending on their national circumstances, priorities and capacities.

40. Whether, as some believe, the greening of the economy is the process of reconfiguring businesses and infrastructure to deliver better returns on natural, human and economic capital investments, while at the same time reducing greenhouse gas emissions, extracting and using less natural resources, creating less waste and reducing social disparities or, as others consider it, just a new way to promote "sustainable development",[10] or to call this "green growth", forests are among the priority areas that are crucial for building green economies.

41. Forests have the strong potential to contribute to a greener economy and a more sustainable society. If a more sustainable society is to be achieved, there is definitely a need to refocus the global economy towards investments in protecting and sustainably managing natural resources, such as forests, as well as green industries and technologies. These are conducive to sustainable development and the achievement of the Millennium Development Goals.

42. There is a growing awareness and understanding by policymakers of the potential of forests for development in and contribution to green economies. Forests can make significant contributions towards building green economies in different ways, including through the mitigation of climate change impacts; the conservation of natural resources through the protection and delivery of water resources; the protection and enhancement of biodiversity, and the introduction of schemes of payments for environmental services; and by providing other social, environmental and economic services, as discussed earlier in the present report. Building green economies also means reducing social disparities by fully realizing the potential of forests for creating green jobs.

43. Building green economies also provides necessary space for realizing the full potential of forests in generating more green and decent jobs, especially in the light of the fact that the total number of jobs in the forest sector is expected to further decrease. The share of green jobs in the forest sector should increase with the transition towards green economies. There are other environmental services from

[10] See United Nations Economic Commission for Europe and Food and Agriculture Organization of the United Nations, "The forest sector in the green economy", Geneva Timber and Forest Discussion Paper No. 54 (Geneva, 2009), sect. 2.1.

forests beyond timber which should be better recognized and compensation provided for. There is a need for better communication regarding the role of forests in raising awareness about the interlinkages between forests and green economies. The right balance needs to be found between what should be dealt with by markets and what requires the "involvement" of Governments. This raises the issue of the extent to which the private sector needs public incentives to foster some green activities.

44. Governments need to have long-term visions in order to enable a real shift towards green economies that benefit fully from the potential of forests. Essential in this regard are designing the appropriate mix and balance of different types of policy measures that ensure the best possible use of forests and forest services. As energy, climate change and agricultural policies will likely have longer-term effects on forests, there is a need to ensure policy coherence both within and among sectors.

45. The long-term development of the forest sector and its ability to improve social welfare will depend on, among other things, the extent to which its roles are recognized and supported by political will and adequate policies. The future of the forest sector, however, will be determined not only by the will of Governments to make the sector a priority on their agendas, but also by the sector's ability to improve the efficiency of wood use and to continue developing innovative and better marketed products in order to seize the opportunity of growing demand for green products. It is therefore important to know how countries can enhance the contribution of forests to green economies and how forests can at the same time benefit from increased green public spending in related fields. In this context, increasing cooperation with other sectors, such as the energy, building and water management and environment sectors, is essential.

46. Encouraging the transition to green economies requires a broad range of financial, regulatory, institutional and technological measures. Public expenditure — current spending, as well as capital investments in public infrastructure and research and development — also plays a critical role in shaping economic development. This is a specific area in which the capacity of developing countries needs to be strengthened.

V. Forests: a multidimensional issue with broad implications across sectors

47. Quite apart from directly consumable goods upon which hundreds of millions of families depend — timber, firewood, fodder, food, medicine and non-timber forest products — forests also provide other incalculable indirect benefits and services, including carbon storage, biodiversity conservation, disease containment and the regulation of hydrological, carbon and various nutrient cycles. Some of these benefits are public, others private; some are local, others global; and some are immediate, others long term. Appropriate management is critical in order for forests to continue to produce these diverse goods and services that are necessary for life and sustainability.

48. Forests cover 31 per cent of the world's total land area.[11] The five most forest-rich countries (the Russian Federation, Brazil, Canada, the United States of America and China) account for more than half of the total forest area. Ten countries or areas have no forest at all, and an additional 54 have forest on less than 10 per cent of their total land area. Around 13 million hectares of forest were converted to other uses or lost through natural causes each year in the past decade, compared with 16 million hectares per year in the 1990s.

49. The area of planted forests is increasing and now accounts for 7 per cent of total forest area. Between 2000 and 2010, the area of planted forests increased by about 5 million hectares per year. Most of this was established through afforestation (i.e., the planting of areas that were not forested in recent times). Three quarters of all planted forests consist of native species, while one quarter comprises introduced species. The large-scale planting of trees is significantly reducing the net loss of forest area globally.

50. Twelve per cent of the world's forests are designated for the conservation of biological diversity, an increase of more than 95 million hectares since 1990. These forests now account for 12 per cent of the total forest area, or more than 460 million hectares. Most, but not all, of them are located inside protected areas. Legally established protected areas cover an estimated 13 per cent of the world's forests. The area of forests within protected area systems has increased by 94 million hectares since 1990; two thirds of this increase has been since 2000.

51. Eight per cent of the world's forests have the protection of soil and water resources as their primary management objective. Around 330 million hectares of forest are designated for soil and water conservation, avalanche control, sand dune stabilization, desertification control or coastal protection. The area of forest designated for protective functions increased by 59 million hectares between 1990 and 2010, primarily because of large-scale planting in China aimed at desertification control, conservation of soil and water resources and other protective purposes.

52. Around 949 million hectares, or 24 per cent of all forests, are designated for multiple use, i.e., managed for any combination of the production of goods, the protection of soil and water, the conservation of biodiversity and the provision of social services, or are considered to have none of these uses alone as their predominant function. More than 1.6 billion hectares of forest are covered by a management plan. The area of forest covered by such plans, an important tool for achieving sustainable forest management, is steadily increasing, yet information is available for only 80 per cent of the total area of such forests.

53. The management of forests for social and cultural functions is increasing, but it is difficult to quantify the area managed in this way. The only subregions and regions with fairly good data on the designation of forests for recreation, tourism, education or conservation of cultural and spiritual heritage are East Asia and Europe, where provision of such social services was reported as the primary management objective for 3 and 2 per cent of total forest area, respectively. Brazil has designated more than one fifth of its forest area for the protection of the culture and way of life of forest-dependent people. Globally, 4 per cent of the world's forests are designated for the provision of social services.

[11] Figures in paras. 48 to 55 are from Food and Agriculture Organization of the United Nations, *Global Forest Resources Assessment 2010* (see footnote 3).

54. According to the *Global Forest Resources Assessment 2010*, carbon emissions from forests have been reduced in recent years, as a result of the decrease in the rate of deforestation, combined with the large-scale planting of new forests. There is now unprecedented awareness of the role that forests play in climate change mitigation and adaptation.

55. There are many good signs and positive trends at the global level concerning forests, particularly in the past 10 years, but many negative trends remain at the regional, subregional and national levels. While the area of planted forests and conservation efforts are on the rise, the area of primary forests continues to decline at an alarming rate as these forests come under use or are converted to other uses. Forests under private ownership and the value of wood products showed a positive trend for the period 2000-2005.

56. The positive developments noted above confirm the vision enshrined in the non-legally binding instrument on all types of forests, namely of demonstrating the potential of forests for all aspects of human life. The instrument and its four objectives are major achievements of the international community. They were adopted by the General Assembly[12] after the Millennium Summit of 2000 and the World Summit of 2005. The instrument symbolizes the beginning of a new era of international cooperation on forests, not as a sector but rather as a vital cross-cutting issue and ecosystem that advances the global development agenda, as shown by the most recent data and statistics.

57. Recognition of the important role of forests for global development goals has not been limited to the Forum. In fact, the Forum has been quite successful in bringing the significance of forests in addressing global challenges to the attention of the political officials at the highest levels. In September 2010, five years from the target date for the Millennium Development Goals, leaders from around the world gathered at the United Nations and undertook a comprehensive review of progress and together charted a course for accelerated action on the Goals between now and 2015. During the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals, world leaders agreed on a comprehensive outcome in which they gave significant attention to forests. By referring to the global objectives on forests, world leaders essentially integrated the global objectives on forests into the outcome of the High-level Meeting, thereby recognizing the value and contribution that forests provide to the global development agenda.

VI. Forests 2011 and Rio+20: golden opportunities

58. In its resolution 61/193 of 20 December 2006, the General Assembly, convinced that concerted efforts to raise awareness at all levels to strengthen the sustainable management, conservation and sustainable development of all types of forests for the benefit of current and future generations, declared 2011 the International Year of Forests (Forests 2011) and called upon Governments, relevant regional and international organizations and major groups to support activities related to the year (see E/CN.18/2011/7).

59. Forests 2011 offers a unique opportunity to raise public awareness of the challenges facing many of the world's forests and the people who depend on them,

[12] See resolution 62/98, annex.

as well as a means of promoting North-South, South-South and triangular cooperation. Great success stories and valuable lessons on how to promote sustainable forest management already exist. Forests 2011 provides a means of bringing those voices together and building momentum towards greater public participation in forest activities around the world.

60. During the International Year of Forests, Governments; United Nations agencies, funds and programmes; regional and international organizations; and major groups should contribute to and participate in the activities envisaged for its observance. They should also link their relevant activities to the International Year, establish voluntary partnerships and promote the observance of Forests 2011 not as an isolated event but as part of a continuing process of advocacy and partnership to foster greater awareness and action towards sustainable forest management at all levels.

61. In its resolution 64/236 of 24 December 2009, the General Assembly decided to organize the United Nations Conference on Sustainable Development, also known as the Rio+20 Conference, in 2012 in Brazil. According to that resolution, the objective of the Conference was to secure renewed political commitment for sustainable development, assessing the progress to date and the remaining gaps in the implementation of the outcomes of the major summits on sustainable development and addressing new and emerging challenges.

62. Also in that resolution, the General Assembly decided that the Conference should result in a focused political document, and that the focus of the Conference would include the following themes, to be discussed and refined during the preparatory process: a green economy in the context of sustainable development and poverty eradication and the institutional framework for sustainable development.

63. Further to that resolution, the General Assembly decided that the Commission on Sustainable Development would postpone consideration of the thematic cluster of issues that includes forests by one year, from 2012-2013 to 2013-2014. Accordingly, the Commission would review the implementation of actions and commitments on forests under Agenda 21 and the Johannesburg Plan of Implementation in 2013 (normally early May) and would enter policy negotiations on forests in 2014 (normally in May). At the same time, the tenth session of the United Nations Forum on Forests, in 2013, will decide on the issue of forest financing, and the eleventh session, in 2015, will decide on the future "international arrangement on forests". In this context, it is necessary to take advantage of this continuity in order to address forests through different mechanisms and processes. There is also, however, the need to avoid the duplication and confusion of responsibilities among different bodies, and to recognize the unique role of the United Nations Forum on Forests within the United Nations system in forest policy setting. The Forum proposes practical measures and identifies policy options and recommendations concerning forests for other bodies and commissions of the United Nations, as well as for the global community.

64. The high-level ministerial segment of the ninth session of the United Nations Forum on Forests is the most effective tool for the Forum to forward the substantive input of the highest-level forest policymaking officials to the Rio+20 Conference. As a matter of fact, this is the only opportunity for the Forum to do so before that Conference takes place. Fortunately, the ministerial segment of the second session of the Forum has already set the precedent by providing substantive input on forests

to the Johannesburg Summit in 2002. Given the current significant attention being paid to forests at the highest political levels, the high-level ministerial segment of the Forum's ninth session has a historic responsibility to ensure that its outcome: (a) addresses the challenges that threaten forests; (b) explores opportunities for forests; and (c) maximizes the contribution of forests to addressing global development challenges.

65. To this end, a ministerial declaration from the high-level ministerial segment of the ninth session is strongly recommended, and should be considered a matter of priority. The ministerial segment should adopt a comprehensive declaration, not only as an input to the Rio+20 Conference but also as a commitment to look at the broader development landscape, and in particular the ways that forests contribute to building a sustainable and prosperous future for all mankind. Such an input to the Rio+20 Conference should also recognize the role of the Forum as the most widely representative and leading global body on forests.

VII. Conclusions

66. There is a need for a new paradigm concerning the interaction and linkages between people and precious natural resources. Forests are deeply entwined with other sectors of society, and their management requires coordinated efforts and cross-sectoral and inter-ministerial approaches. In recent years, there has been an increasing tendency to look beyond the needs of the forest sector when considering forests and their potential. Forests have incredible potential to help the global community to address and diminish the impacts of major global challenges, such as the energy, food, water, desertification, climate change and financial crises.

67. Undoubtedly, the multiple values of forests are now recognized more than ever. Forests have a critical potential to decrease the enormous gap between the richest and the poorest households, if the appropriate policy framework and enforcement are in place. It is important to promote a path to deliver the key message derived from the shared theme of the ninth session of the United Nations Forum on Forests and Forests 2011 of "forests for people" by promoting a 360-degree perspective on forests that embraces all: the social, environmental, economic, cultural and spiritual services of forests.

68. The first-ever international comprehensive agreement on forests, the non-legally binding instrument on all types of forests and the global objectives on forests, are the important contribution of the Forum to the global sustainable development agenda and the fight against poverty. They have played important roles in devising a comprehensive approach to forests and helping to clearly define the contribution of forests to the internationally agreed development goals.

69. This instrument is the first-ever comprehensive and action-oriented global strategy for achieving sustainable forest management, and contains specific actions, objectives, timelines and anticipated means for all relevant stakeholders at all levels. It is important to devise the necessary tools and mechanisms to deliver the commitments and actions contained in this instrument, and to strengthen its implementation and the achievement of the global objectives on forests as a matter of high priority. The instrument and the global objectives on forests are effective tools to enhance natural resource management, and to foster pro-poor development, long-term green investment and employment opportunities for all countries.

70. The participation, engagement and inclusion of those who make an impact on forest policies, as well as those who feel the impact of such policies, in designing and implementing forest regulations and rules are of vital importance, and will ensure the effectiveness of such policies. It is equally important to recognize the role played by regional processes, civil society, the private sector and major stakeholder groups in promoting sustainable forest management worldwide.

71. The declining flows of ODA to the forest sector need to be reversed by focusing on the multiple functions, goods and services provided by forests, as well as their contribution to achieving internationally agreed development goals.

72. Financing under REDD-plus offers a significant opportunity for forest financing. Such financing is spread across countries and sectors, so it is important to understand the potential gaps, obstacles, opportunities and additionality of such funding. It is extremely important to assess the following: how to improve the effectiveness and transparency of existing REDD-plus initiatives; how to ensure broader application of forest financing to the huge number of countries that are currently excluded from REDD-plus financing; and how to make sure that policy advice, guidance and recommendations of the Forum are included in the operational programmes of REDD-plus financing initiatives.

73. Forest governance is an important building block for sustainable forest management. It is important to enhance the transparency of governmental policies and actions directed towards forest law enforcement and combating illegal logging, and to promote an enabling environment as a necessary foundation for fully exploring the potential of forests for the sustainable livelihoods of people.

74. To ensure coherent efforts at the national level, clear linkages between national forest programmes and other plans, including in poverty reduction strategy papers, are essential. National forest programmes must clearly identify the relevance and potential role of trees and forests in achieving the Millennium Development Goals and highlight opportunities for scaling up good initiatives.

75. The world leaders who attended the September 2010 High-level Plenary Meeting of the General Assembly on the Millennium Development Goals called for strengthening political commitments and action at all levels to effectively implement the global objectives on forests and the sustainable management of all types of forests in order to reduce the loss of forest cover and improve the livelihoods of those that depend on forests. They called for doing so in the following ways: the development of a comprehensive and more effective approach to financing activities; the involvement of local and indigenous communities and other relevant stakeholders; promoting good governance at the national and international levels; and enhancing international cooperation to address the threats posed by illicit activities.

76. The Rio+20 Conference and Forests 2011 provide extraordinary opportunities to strengthen political commitment and promote international cooperation in advancing the implementation of the non-legally binding instrument on all types of forests and the achievement of the global objectives on forests, through concrete and specific initiatives on the ground involving interested Governments and stakeholders, including the private sector, indigenous and local communities and non-governmental organizations.

VIII. Recommendations

77. The Forum may wish to:

(a) **Recognize the role of forests and trees in the achievement of internationally agreed development goals, including their benefits for the livelihoods of over a billion people living in extreme poverty and their vital role in promoting climatic stability, conserving biological diversity and protecting coastlines, watersheds and soil;**

(b) **Advance implementation of the non-legally binding instrument on all types of forests, as well as achievement of the global objectives on forests at all levels, as an effective means of advancing the global development agenda;**

(c) **Reaffirm the unique leading role of the United Nations Forum on Forests, within the United Nations system, in forest policy setting and the implementation of the non-legally binding instrument on all types of forests and in the achievement of the global objectives on forests at the national, regional and global levels;**

(d) **Invite all Governments, international and regional organizations, major groups and other relevant stakeholders to take immediate steps towards implementing the outcome of the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals, in particular with respect to forests;**

(e) **Recognize the significance of forests in moving towards sustainable development and the formation of green economies, and invite countries to promote green economic development through investment in sustainable forest-related industries and a fair multilateral trading system that allows countries to take advantage of the opportunities provided thereby;**

(f) **Emphasize that efforts to build green economies should result in improved human well-being and social equity while significantly reducing environmental risks and ecological scarcities and advancing achievement of global development goals, in particular poverty eradication, both nationally and internationally;**

(g) **Highlight the importance of the enabling environment and means of implementation for promoting sustainable forest management, and call for strengthening cooperation in the areas of finance, trade, transfer of environmentally sound technology and capacity-building;**

(h) **Accelerate cooperation in addressing the financing needs of countries, in particular developing countries with special needs and circumstances, in order to sustainably manage their forests and take actions to incentivize the protection and conservation of natural forests and their ecosystem services, as crucial factors to mitigate climate change and reduce the loss of forest resources;**

(i) **Renew its commitment to finding a lasting solution to forest financing during its tenth session, as envisaged in the resolution of the special session of its ninth session on means of implementation, and to support the intersessional activities on forest financing, as reflected in the report of the Open-ended Intergovernmental Ad Hoc Expert Group on Forest Financing;**

(j) **Promote cooperation on forest law enforcement and governance, invite Member States to improve the access of local communities to markets and strengthen the inclusion of local people, including indigenous peoples and women, in decision-making, benefit-sharing and preservation of their cultural and social values, as a means of enhancing the economic, social and environmental values of forests for the benefit of present and future generations;**

(k) **Recognize the importance of REDD-plus financing as a new opportunity for forest financing, the need for understanding the implications of REDD-plus financing for broader forest financing and whether such financing will cover the broader financing needs for forests;**

(l) **Invite REDD-plus initiatives to take full advantage of the policy recommendations of the United Nations Forum on Forests, as the only forest policy setting universal body in the United Nations, in their activities and programmes;**

(m) **Emphasize the importance of the evolving concept of sustainable forest management provided in the non-legally binding instrument on all types of forests as a global expression, agreed by the United Nations and widely accepted, of sustainable forest management;**

(n) **Call for enhancing cooperation with relevant instruments, intergovernmental organizations and public and private processes, both within and outside the United Nations system;**

(o) **Invite the Collaborative Partnership on Forests to strengthen its support for the work of the Forum and contribute actively to the implementation of the non-legally binding instrument on all types of forests and the achievement of the global objectives on forests, including through providing technical and financial resources and ensuring that measures to support the implementation of the instrument and the achievement of the objectives therein are addressed by their governing bodies;**

(p) **Invite countries to fully integrate their national forest programmes with broader national priorities and development-planning programmes and plans, including poverty-reduction strategies;**

(q) **Further invite Member States, international and regional organizations and development banks, major groups and other relevant partners to use the International Year of Forests and the Rio+20 Conference and its preparatory processes as important platforms for highlighting the multiple advantages of sustainable forest management and for achieving the Millennium Development Goals, through the announcement of new initiatives and commitments;**

(r) **Encourage Member States, member organizations of the Collaborative Partnership on Forests and other relevant stakeholders, in cooperation with the Secretariat, to actively engage in and contribute to the preparatory process of the Rio+20 Conference, as well as during the International Year of Forests, including by convening various meetings, events and workshops to further discuss and elaborate the potential of forests with**

regard to, for example, eradicating poverty and promoting sustainable livelihoods for people, resulting in the building of true green economies;

(s) Invite the Rio+20 Conference to:

(i) Reiterate the potential of forests with regard to the achievement of sustainable development goals and targets and the role of forests in promoting sustainable development and the eradication of poverty through contributing to building green economies;

(ii) Support the United Nations Forum on Forests and its multi-year programme of work and recognize the added value provided by the Forum, in particular the non-legally binding instrument on all types of forests and the global objectives on forests;

(iii) Further support the ongoing work of the Forum on forest finance and provide a major political boost for solid conclusions on forest financing at the tenth session of the Forum, in 2013;

(t) Request the Secretary-General to transmit the outcome of the high-level ministerial segment of the ninth session of the Forum to the Rio+20 Conference.